

FIRST MERCHANTS CORPORATION

First Merchants Corporation					
	CPP Disbursement Date	RSSD (Holding Company)		Number of Insured Depository Institutions	
	02/20/2009	1208559		1	
Selected balance and off-balance sheet items	2009	2010		%chg from prev	
	\$ millions	\$ millions			
Assets	\$4,449	\$4,148		-6.8%	
Loans	\$3,278	\$2,857		-12.8%	
Construction & development	\$159	\$107		-32.8%	
Closed-end 1-4 family residential	\$695	\$598		-14.0%	
Home equity	\$155	\$148		-4.5%	
Credit card	\$0	\$0		-100.0%	
Other consumer	\$149	\$107		-28.2%	
Commercial & Industrial	\$676	\$530		-21.5%	
Commercial real estate	\$992	\$912		-8.0%	
Unused commitments	\$687	\$532		-22.6%	
Securitization outstanding principal	\$0	\$0			
Mortgage-backed securities (GSE and private issue)	\$289	\$573		97.8%	
Asset-backed securities	\$0	\$0		-25.0%	
Other securities	\$272	\$251		-7.7%	
Cash & balances due	\$150	\$115		-23.3%	
Residential mortgage originations					
Closed-end mortgage originated for sale (quarter)	\$48	\$85		78.9%	
Open-end HELOC originated for sale (quarter)	\$0	\$0			
Closed-end mortgage originations sold (quarter)	\$65	\$78		20.7%	
Open-end HELOC originations sold (quarter)	\$0	\$0			
Liabilities	\$3,924	\$3,591		-8.5%	
Deposits	\$3,571	\$3,302		-7.5%	
Total other borrowings	\$334	\$272		-18.8%	
FHLB advances	\$130	\$83		-36.3%	
Equity					
Equity capital at quarter end	\$525	\$557		6.0%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$12	\$13		NA	
Performance Ratios					
Tier 1 leverage ratio	8.7%	10.1%		--	
Tier 1 risk based capital ratio	11.1%	13.6%		--	
Total risk based capital ratio	12.4%	14.9%		--	
Return on equity ¹	-5.3%	5.1%		--	
Return on assets ¹	-0.6%	0.7%		--	
Net interest margin ¹	4.0%	4.1%		--	
Coverage ratio {(ALLL+Alloc transfer risk)/Noncurrent loans}}	75.3%	90.3%		--	
Loss provision to net charge-offs (qtr)	125.1%	91.2%		--	
Net charge-offs to average loans and leases ¹	2.5%	1.1%		--	
¹ Quarterly, annualized.					
	Noncurrent Loans		Gross Charge-Offs		
Asset Quality (% of Total Loan Type)	2009	2010	2009	2010	
Construction & development	13.3%	16.3%	3.3%	1.8%	--
Closed-end 1-4 family residential	3.0%	2.9%	0.4%	0.3%	--
Home equity	0.5%	1.0%	0.2%	0.2%	--
Credit card	0.0%	0.0%	2.8%	0.0%	--
Other consumer	0.1%	0.1%	0.5%	0.5%	--
Commercial & Industrial	5.5%	1.9%	1.3%	0.9%	--
Commercial real estate	3.4%	3.7%	0.6%	0.5%	--
Total loans	3.7%	3.2%	0.8%	0.5%	--